

**CITY OF DURHAM, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June, 30, 2003**

I – Summary of auditors’ results

Financial Statements

Type of auditor’s report issued: *Unqualified*

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Reportable condition(s) identified that are not considered to be material weaknesses? _____yes X none reported

Noncompliance material to financial statements noted? _____yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____yes X no
- Reportable condition(s) identified that are not considered to be material weaknesses? _____yes X none reported

Type of auditor’s report issued on compliance for major federal programs: *Unqualified*

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? _____yes X no

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Names of Federal Program or Cluster</u>
14.218	Community Development Block Grant – Entitlement Grants
14.239	Home Investment Partnership Agreement
14.864	Housing and Urban Development – Economic Development
16.592	Local Law Enforcement Block Grant
20.500	Federal Transit Authority
20.507	Federal Transit Authority
83.554	FEMA – 2002 Winter Storm

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I – Summary of auditors’ results (continued)

Dollar threshold used to distinguish between Type A
and Type B Programs:

\$ 589,470

Auditee qualified as low-risk auditee?

_____ yes X no

State Awards

Internal control over major state programs:

- Material weakness(es) identified? _____ yes X no
- Reportable condition(s) identified that are not
considered to be material weaknesses? _____ yes X none reported

Type of auditor’s report issued on compliance for major state programs: *Unqualified.*

Any audit findings disclosed that are required to
reported in accordance with the *Audit Manual for
Governmental Auditors in North Carolina*?

_____ yes X no

Identification of major state programs:

Grant Number

N/A

N/A

Names of State Program or Cluster

Powell Bill

American Tobacco Trail